

**SB 1071 (DeSaulnier)  
As Amended April 28, 2010**

**CONTROLLED SUBSTANCE UTILIZATION REVIEW AND EVALUATION SYSTEM  
Fact Sheet**

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**SUMMARY**

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SB 1071 will provide the necessary revenue to make the Controlled Substance Utilization Review and Evaluation System (CURES) database sustainable. The database provides for the electronic monitoring of the prescribing and dispensing of Schedule II, III and IV controlled substances. In addition, SB 1071 authorizes a tax credit for seniors to pay for unreimbursed prescription drugs costs.

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**BACKGROUND**

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Due to the rise in prescription drug abuse, prescription drug history information is maintained in the California Controlled Substance Utilization Review and Evaluation System (CURES). Under current law, California doctors and pharmacies are required to report to the California Department of Justice (DOJ), within seven days, every schedule II, III, and IV prescription that is written or filled.

Under existing federal and state laws, controlled substances are ranked according to their potential for abuse, accepted medical use, and safety under medical supervision.

Schedule I substances have a high potential for abuse and no current accepted medical use (e.g. heroin and LSD). Schedule II drugs have a high potential for abuse and high potential for physical or psychological dependence if used improperly, but have accepted medical value in treating pain (e.g. Ritalin, Methadone, and Morphine). Schedule III and IV drugs generally have less potential for abuse than schedule I or II drugs and have accepted medical uses. Schedule V drugs are available over the counter.

The Bureau of Narcotic Enforcement within the DOJ is responsible for all state controlled substance enforcement activities and currently administers and enforces its new online database and prescription

surveillance program. This program provides authorized agencies with Patient Activity Reports alerting doctors and pharmacies to individuals who try to collect multiple narcotic prescriptions by “doctor shopping” and access to information necessary to help make informed prescribing decisions regarding controlled substances.

While the CURES program has been improved and enhanced over the years to provide real-time internet access for medical personnel and law enforcement, the new system is currently dependent on unsustainable private funding.

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**PREVIOUS LEGISLATION**

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SB 734 (Torlakson) Chapter 487, Statutes of 2005 authorized tamper resistant online access to the CURES system for authorized physicians, pharmacists and law enforcement pending the acquisition of private funding.

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**THIS BILL**

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SB 1071 imposes a tax on manufacturers or importers of Schedule II, III and IV controlled substances to pay for ongoing costs of the CURES program.

The tax will be collected by the State Board of Equalization, at the rate of \$0.0025 per pill included in Schedule II, III, and IV. The revenue generated will be used to sustain the CURES program by reimbursing the DOJ for administering the program, funding maintenance and improvements, education and outreach, and investigating abuse of the program.

This bill will also provide the revenue necessary to investigate patients who “doctor shop” as well as physicians, who sell or divert prescriptions to drug dealers or addicts, and pharmacists who falsely record or employees who steal narcotics and prescriptions.

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**FOR MORE INFORMATION**

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SB 1071 maintains the important CURES program designed to reduce drug trafficking and abuse of dangerous prescription medications which often result in injury or death; reduce direct financial losses to health care providers, hospitals and pharmacies that waste time and lose productivity when patients doctor shop; and reduce hospital emergency room visits attributed to prescription drug overdose and misuse.

In addition, SB 1071 authorizes a tax credit for seniors, who are 55 years of age or older, to pay for prescription drugs costs that are not reimbursed or paid for by their health insurance plans or by a third party.

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**STATUS**

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April 15, 2010 – Referred to Senate Health

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**SUPPORT**

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- Troy and Alana Pack Foundation (sponsor)
- California Narcotic officers Association
- California Peace Officers' Association
- California Police Chiefs Association
- California Society of Interventional Pain Physicians
- California Society of Physical Medicine and Rehabilitation
- California State Sheriffs' Association
- California Statewide Law Enforcement Association
- Consumer Attorneys of California
- Peace Officers Research Association of California

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**OPPOSITION**

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- BIOCOM
- California Healthcare Institute
- California Retailers Association (Unless Amended)
- California Taxpayer' Association
- Genentech
- Healthcare Distribution Management Association
- Pharmaceutical Research and Manufacturers of America (PhRMA)